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SERVICE DATE - MARCH 12, 2004

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FR-4915-01-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Docket No. MC-F-21005]

Coach USA, Inc.–Intra-Corporate Family Transaction Exemption

Coach USA, Inc. (Coach), a noncarrier, has filed a verified notice of exemption under the Board's class exemption procedures at 49 CFR 1182.9. Under the proposed transaction, Coach will transfer equal shares of Coach USA Administration, Inc. (Coach Administration), a noncarrier subsidiary of Coach that is incorporated in Nevada, to two United Kingdom (UK) entities, SCUSI Limited and SCOTO Limited, noncarriers that currently are general partners in Stagecoach Nevada, Coach's current immediate parent company. Subsequently, Stagecoach Nevada will transfer its shares in Coach to Coach Administration. Thereafter, SCOTO Limited will transfer all of its Coach Administration shares to SCUSI Limited. As a result of the transaction, the structure of Coach will be simplified, leaving SCUSI Limited as the owner of Coach Administration which will be the sole immediate owner of Coach.

The transaction is scheduled to be consummated on March 10, 2004.¹

¹ In its verified notice, Coach initially proposed consummation on February 19, 2004, the effective date of the exemption (7 days after the exemption was filed). By letter filed on March 2, 2004, Coach states that the closing date for the transaction was rescheduled to March 10, 2004.

The purpose of the transaction is to adjust the current debt levels of Coach to a more sustainable level and to concentrate the holdings of the shares of Coach into a single noncarrier UK entity, thereby creating a simpler single direct holding in the United States.

This is a transaction within a corporate family of the type specifically exempted from prior review and approval under 49 CFR 1182.9. Coach states that the transaction will not result in adverse changes to the subsidiary motor companies' service levels, significant operational changes, or a change in the competitive balance with motor passenger carriers outside the corporate family. Coach also states that, to consummate this transaction, it will enter into (1) a Stock Purchase Agreement to sell its shares in Coach Administration to SCUSI Limited and SCOTO Limited, and (2) an Assignment and Assumption Agreement and First Amendment to Loan Facility, in which Coach, as the lender, allows the change in the identity of the borrower under the Loan Facility from Stagecoach Nevada to Coach Administration. Coach further states that the motor passenger carriers involved in this transaction will remain unchanged by these transactions and that these transactions will have no effect upon Coach employees or the employees of the motor passenger carriers owned by Coach.

If the verified notice contains false or misleading information, the Board shall summarily revoke the exemption and require divestiture. Petitions to revoke the exemption under 49 U.S.C. 13541(d) may be filed at any time. See 49 CFR 1182.9(c).

An original and 10 copies of all pleadings, referring to STB Docket No. MC-F-21005, must be filed with the Surface Transportation Board, 1925 K Street, N.W.,

Washington, DC 20423-0001. In addition, a copy of each pleading must be served on David H. Coburn, Steptoe & Johnson LLP, 1330 Connecticut Avenue, N.W., Washington, DC 20036.

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Decided: March 4, 2004.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams

Secretary